

May 23, 2017

MUR # 7251

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Omar Ashmawy
Chief Counsel and Staff Director
Office of Congressional Ethics
U.S. House of Representatives
P.O. Box 895
Washington, D.C. 20515

Re: Fraudulent Campaign Contributions

Dear Messrs. Hulser, Gonzalez, & Ashmawy and Ms. Stevenson:

It has come to my attention that Representative Barry Loudermilk, his campaign committee Loudermilk for Congress ("the Federal Committee"), and several of his political allies in Georgia appear to be engaged in a criminal scheme to knowingly make and accept conduit contributions in order to evade federal prohibitions on transferring money from a nonfederal to a federal campaign committee. Specifically, Rep. Loudermilk and his co-conspirators appear to be making illegal conduit contributions to the Federal Committee from Rep. Loudermilk's state campaign committee through the campaign accounts of Rep. Loudermilk's friends in Georgia or through his wife, Desiree Loudermilk.¹ Additionally, Rep. Loudermilk appears to be making personal use of his state campaign funds through apparently fraudulent disbursements to his wife. I respectfully request that you investigate this matter and take all appropriate action as soon as possible.

¹ Loudermilk for Congress, "Meet Barry," <http://loudermilkforcongress.com/meet-barry/> (accessed April 26, 2017) ("[Loudermilk] has been married to his wife Desiree for over 33 years.").

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The apparent conduit contribution scheme dates back to 2013. Loudermilk announced his candidacy for Georgia's 11th Congressional District on April 20, 2013.² At the time, he was a Georgia state senator, and his campaign committee for the state senate race was Loudermilk for State Senate ("State Committee").³ Loudermilk resigned from the state senate effective September 4, 2013, to focus on his congressional race.⁴ Between 2013 and 2014, State Committee made thousands of dollars in contributions to the campaign accounts of Georgia state candidates who shortly thereafter made contributions—often in the exact same amounts—to Rep. Loudermilk's federal campaign committee:

- On June 21, 2013, the Federal Committee received a \$1,000 contribution from the state campaign committee of then-Georgia state senator Buddy Carter, who was also running for Congress at the time.⁵ Four days later, on June 25, 2013, State Committee gave Buddy Carter's federal campaign committee, Buddy Carter for Congress, \$1,000.⁶
- On October 24, 2014, State Committee contributed \$500 to Tippins for State Senate, the campaign committee of Lindsey Allen Tippins.⁷ Five days later, on October 29, 2014, Tippins for State Senate contributed \$1,000 to the Federal Committee.⁸
- On May 31, 2013, Thomas Shultz of Cartersville, GA, a candidate for State School Superintendent, contributed \$250 to the Federal Committee.⁹ On

² Loudermilk for Congress, *Barry Loudermilk announces his Candidacy for Congress* (April 20, 2013), <http://loudermilkforcongress.com/barry-loudermilk-announces-his-candidacy-for-congress/>.

³ *Id.*; Loudermilk for State Senate, http://media.ethics.ga.gov/search/Campaign/Campaign_Name.aspx?NameID=524&FilerID=C2010000256&Type=candidate.

⁴ Jason Lowrey, *Loudermilk resigns from state Senate to run campaign*, The Daily Tribune News (Aug. 28, 2013), https://web.archive.org/web/20131203005045/http://www.daily-tribune.com/view/full_story/23462727/article-Loudermilk-resigns-from-state-Senate-to-run-campaign?instance=homesecndleft.

⁵ Loudermilk for Congress, July Quarterly FEC Report at 48 (July 15, 2013), <http://docquery.fec.gov/cgi-bin/fecimg/?13941142142>.

⁶ Buddy Carter for Congress, July Quarterly FEC Report at 61 (Sept. 4, 2013), <http://docquery.fec.gov/cgi-bin/fecimg/?13964583261>.

⁷ Tippins for State Senate, Georgia Campaign Contribution Disclosure Report at 4 (Oct. 27, 2014), http://media.ethics.ga.gov/search/Campaign/Campaign_ReportOptions.aspx?NameID=6568&FilerID=C2010000102&CDRID=113006.

⁸ Loudermilk for Congress, Post-General Election FEC report at 32 (Dec. 4, 2014), <http://docquery.fec.gov/cgi-bin/fecimg/?14952933844>.

⁹ *Compare* Loudermilk for Congress, July Quarterly FEC report at 9 (July 15, 2013), <http://docquery.fec.gov/cgi-bin/fecimg/?13941142103> (listing a \$250 contribution from Thomas Shultz at an address in Cartersville, GA) *with* Shultz for Georgia, http://media.ethics.ga.gov/search/Campaign/Campaign_Name.aspx?NameID=19910&FilerID=C2013001348&Type=candidate (listing Thomas Shultz as a candidate for State School Superintendent with a campaign committee address in Cartersville, GA).

December 12, 2013, State Committee contributed \$250 to Thomas Shultz's campaign.¹⁰

- On March 31, 2014, Citizens to Elect Ed Setzler, the campaign committee of a candidate for the Georgia House, contributed \$500 to Federal Committee.¹¹ On October 22, 2014, State Committee contributed \$500 to Citizens to Elect Ed Setzler.¹²
- On October 14, 2014, State Committee contributed \$500 to the campaign committee of Georgia Insurance Commissioner candidate Ralph T. Hudgens.¹³ Ralph Hudgens is married to Suzanne Hudgens.¹⁴ Suzanne Hudgens contributed \$500 to Federal Committee on August 18, 2014.¹⁵
- On April 1, 2014, State Committee reported paying Loudermilk's wife, Desiree Loudermilk, \$600 for administrative assistance covering "Oct-Dec 2014" (notably, the payment was made six months in advance of when the purported administrative services were to be delivered).¹⁶ On May 1, 2014, State Committee reported another \$600 payment to Ms. Loudermilk for administrative assistance covering "Jan-Mar 2014."¹⁷ Thus, State Committee paid Ms. Loudermilk in April and May 2014 a total of \$1,200 for administrative assistance. Nearly concurrently with those payments, between March 24, 2014 and June 10, 2014, Ms. Loudermilk made \$1,139.45 in in-kind contributions to the Federal Committee.¹⁸

¹⁰ Shultz for Georgia, Georgia Campaign Contribution Disclosure Report at 4 (Jan. 2, 2014), http://media.ethics.ga.gov/search/Campaign/Campaign_ReportOptions.aspx?NameID=19910&FilerID=C2013001348&CDRID=102522.

¹¹ Loudermilk for Congress, April Quarterly FEC Report at 92 (April 15, 2014), <http://docquery.fec.gov/cgi-bin/fecimg/?14960725295>.

¹² Citizens to Elect Ed Setzler, Georgia Campaign Contribution Disclosure Report at 4 (Jan. 7, 2015), http://media.ethics.ga.gov/search/Campaign/Campaign_ReportOptions.aspx?NameID=190&FilerID=C2006000049&CDRID=114459.

¹³ Friends of Ralph Hudgens, Georgia Campaign Contribution Disclosure Report at 5 (Oct. 28, 2014), http://media.ethics.ga.gov/search/Campaign/Campaign_ReportOptions.aspx?NameID=403&FilerID=C2009000116&CDRID=112657.

¹⁴ Office of Insurance and Safety Fire Commissioner, Ralph T. Hudgens, <https://www.oci.ga.gov/publicinformation/Bio.aspx> (accessed April 26, 2017).

¹⁵ Loudermilk for Congress, October Quarterly FEC Report at 29 (Mar. 27, 2015), <http://docquery.fec.gov/cgi-bin/fecimg/?15970320276>. Ms. Hudgens has made other contributions to Federal Committee totaling \$1,350 between 2013 and 2015. See Loudermilk for Congress, July Quarterly FEC Report at 9 (July 15, 2015), (\$250 contribution on June 5, 2015); April Quarterly FEC Report at 73 (Apr. 15, 2014), <http://docquery.fec.gov/cgi-bin/fecimg/?14960725276> (\$300 contribution on Mar. 24, 2014); *id.* at 50, <http://docquery.fec.gov/cgi-bin/fecimg/?14960725253> (\$300 contribution on Feb. 13, 2014); October Quarterly FEC Report at 6 (Oct. 15, 2013), <http://docquery.fec.gov/cgi-bin/fecimg/?13941800376> (\$500 contribution on Sep. 19, 2013).

¹⁶ Loudermilk for State Senate, Georgia Campaign Contribution Disclosure Report at 5 (July 8, 2014), http://media.ethics.ga.gov/search/Campaign/Campaign_ReportOptions.aspx?NameID=524&FilerID=C2010000256&CDRID=111244.

¹⁷ *Id.*

¹⁸ Loudermilk for Congress, Pre-Runoff FEC Report at 12, 54, 36, 70 (July 10, 2014), <http://docquery.fec.gov/cgi-bin/fecimg/?14941762200>; Loudermilk for Congress, Pre-Primary FEC Report at 9, 42, 56 (May 8, 2014),

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19 11 C.F.R. § 110.3(d).

²¹ *United States v. O'Donnell*, 608 F.3d 546, 549, 553 (9th Cir. 2010).

²³ See Ga. Code Ann. § 21-5-41; 52 U.S.C. § 30118.

http://media.ethics.ga.gov/search/Campaign/Campaign_ReportOptions.aspx?NameID=524&FilterID=C2010000256&CDRID=1166669

http://media.ethics.ga.gov/search/Campaign/Campaign_ReportOptions.aspx?NameID=524&FileID=C2010000256&CDRID=111244.

intention appears to be to convert the remaining \$2,136.39 in his State Committee to his own personal use.

Rep. Loudermilk's apparent conduit contribution scheme undermines the anticorruption objectives of federal campaign contribution source and amount restrictions. His apparent personal use of campaign funds creates an appearance of corruption. In order to safeguard the integrity of the electoral process, I respectfully request that you undertake a full investigation of this matter and promptly take all other steps to seek appropriate judicial relief.

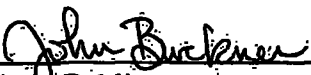
Sincerely,



Will Fowlkes

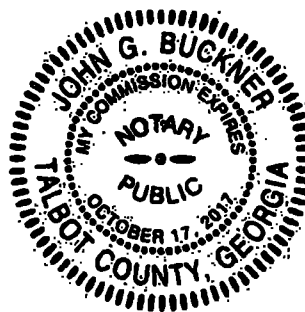
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SUBSCRIBED AND SWORN to before me this 23 day of May, 2017.


Notary Public

My Commission Expires:

10-17-17



Appendix A

Desiree Loudermilk's In-Kind Contributions to the Federal Committee, March-June 2014

Date	Description	Amount
6/10/14	In-Kind: Parade Entry Fee ²⁶	\$40
6/02/14	In-Kind: Meeting Expense ²⁷	\$113
5/17/14	In-Kind: Event Catering ²⁸	\$128
5/03/14	In-Kind: Event Catering ²⁹	\$24
4/25/14	In-Kind: Printing ³⁰	\$85
4/15/14	In-Kind: Promotional Items: T-Shirts ³¹	\$358.45
4/02/14	In-Kind: Event Tickets/Supplies ³²	\$76
3/31/14	In-Kind: E-Marketing ³³	\$240
3/24/14	In-Kind: Event Catering ³⁴	\$75
Total		\$1,139.45

²⁶ Loudermilk for Congress, Pre-Runoff FEC Report at 54 (July 10, 2014), <http://docquery.fec.gov/cgi-bin/fecimg/?14941762200>.

²⁷ *Id.* at 12, <http://docquery.fec.gov/cgi-bin/fecimg/?14941762200>.

²⁸ *Id.* at 70, <http://docquery.fec.gov/cgi-bin/fecimg/?14941762216>.

²⁹ *Id.* at 36, <http://docquery.fec.gov/cgi-bin/fecimg/?14941762182>.

³⁰ Loudermilk for Congress, Pre-Primary FEC Report at 42 (May 8, 2014), <http://docquery.fec.gov/cgi-bin/fecimg/?14960882790>.

³¹ *Id.* at 9, <http://docquery.fec.gov/cgi-bin/fecimg/?14960882757>.

³² *Id.* at 56, <http://docquery.fec.gov/cgi-bin/fecimg/?14960882804>.

³³ Loudermilk for Congress, April Quarterly FEC Report at 18 (April 15, 2014), <http://docquery.fec.gov/cgi-bin/fecimg/?14960725221>.

³⁴ *Id.* at 25, <http://docquery.fec.gov/cgi-bin/fecimg/?14960725228>.